

Seven Steps to More Paid Signups



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 smooth conversion

Poker, The Web, and Me.



Ten years ago I was a professional online poker player.

After years of hitting the tables and making a decent living, the grind of doing the same thing over and over again began to wear on me.

I started to wonder how I could branch out and start diversifying my income streams.

A number of poker pros that I knew had started their own poker coaching and knowledge websites and I saw an opportunity to be the curator of all the poker coaches on the web.

I hired a development company to build the website but they took too long for my liking to get the job done. I decided to see if I could build it myself.

It turns out I enjoyed building websites and creating web businesses far more than I enjoyed poker. To make the transition even smoother, I found that many of my poker skills were deeply applicable.

Writing quality code took the same discipline as not getting emotional and going on tilt.

User experience involved similar psychological and behavioral analysis I used to understand my opponents' tendencies.

Also, the same analytics and statistics I used to find leaks in my poker game came in handy when analyzing web traffic and finding leaks in revenue.

Once I decided to make the final transition away from poker, a close friend and I launched Smooth Conversion, a full service user experience, analytics, and conversion optimization agency serving e-commerce and SaaS companies around the world.

In this book I'll share with you a distilled version of the techniques and tricks I've learned along the way working with web businesses of all sizes.

There are essentially three ways to get more signups:

- 1) Make your product better.
- 2) Get more quality traffic into your website's signup flow.
- 3) Improve the conversion rate of your signup flow.

Getting more traffic and improving your product are crucial to success but both are time consuming, difficult, or expensive. Sometimes they're all three.

On the other hand, if you already have traffic there are frequently small tweaks you can make to your existing signup flow that can deliver needle moving bumps in paid signups.

This guide will teach you how to zero in on finding these promising funnel points and then execute a testing plan to start capturing customers that have been slipping through your fingers.

The Process:

Step 1: Chart Your Signup Flow

Step 2: Audit Your Analytics

Step 3: Analyze Your Numbers

Step 4: Find Industry Benchmarks

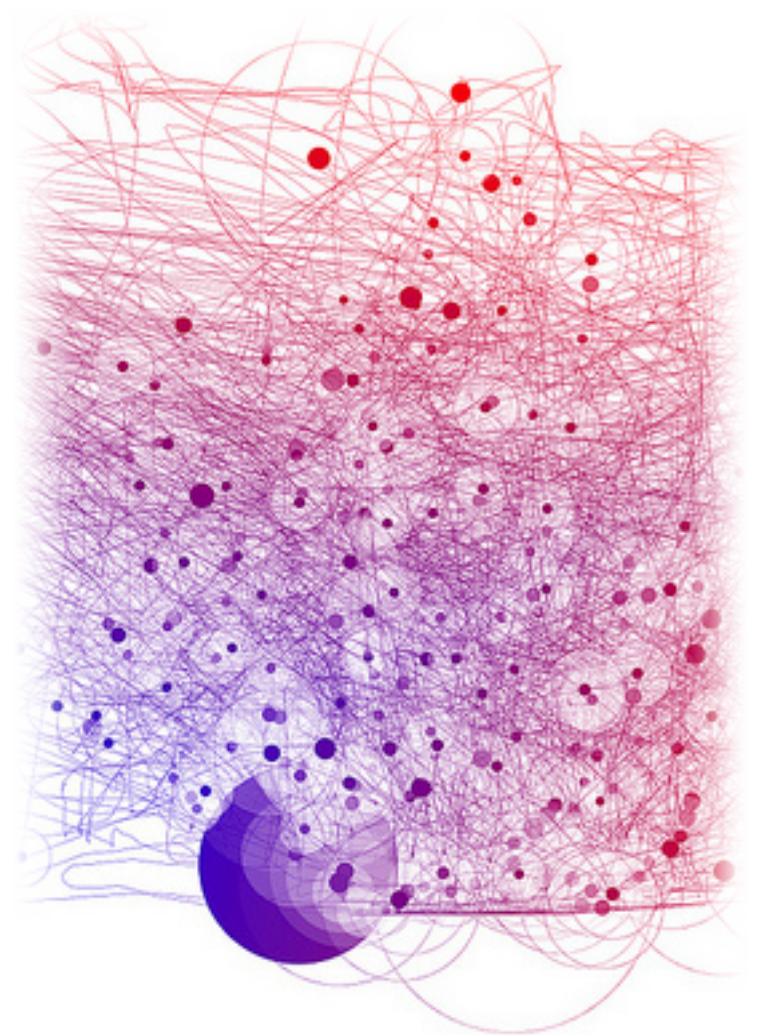
Step 5: Audit Your User Experience

Step 6: Pick Your Target

Step 7: Start Testing

Chart Your Signup Flow

The first step is to look hard at all the steps a visitor to your website takes before becoming a paying customer. Until you have a great understanding of that journey, all of your other analysis will be shooting in the dark.



This step is often quite eye-opening. You design your marketing materials, your landing pages, and your email blasts. You may feel like you understand the entire process but it's actually quite difficult to keep it all in your head.

You'll probably be missing key relationships between stages.

That's why I always start with mapping each of the steps in the process.

What constitutes a step?

Put simply, a 'step' is any action a user needs to take to move through your signup flow towards converting. Signing up for a free trial is one common signup step, and within that step there may be a number of substeps such as clicking a free trial button and then filling out a multi-page form.

How far should you zoom in?

If you're just starting out in this process, I recommend mapping out your steps at a higher level first. It's difficult enough to get a good sense of your funnel at a broad level so make it easier on yourself and start there.

Some examples of higher level steps are visiting a landing page, signing up for a free trial, and completing a payment form.

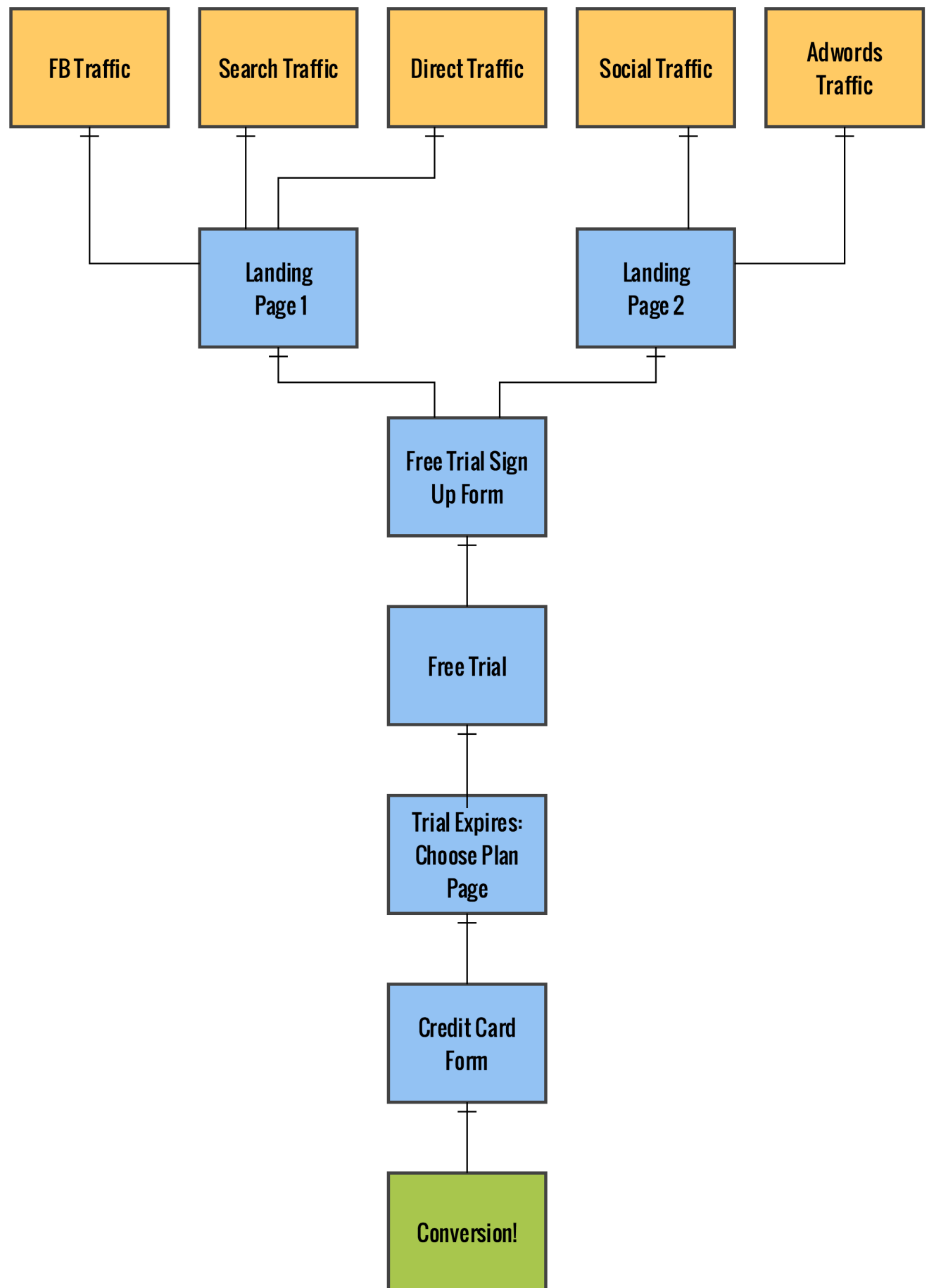
Once you identify a step that appears to have room for improvement, it may then make sense to zoom in and understand the substeps to find out which aspect of the larger step is causing potential customers to drop out.

Diagram it!

Even if you think you have your user flow all charted out in your head, you'll dramatically deepen your understanding by mapping it out.

There are many ways to diagram a funnel but I recommend a simple flow chart that starts with your entrances at the top and finishes with your conversions at the bottom. There are many great tools to create flowcharts. I used a free tool called [Gliffy](#) to create the diagrams in this guide.

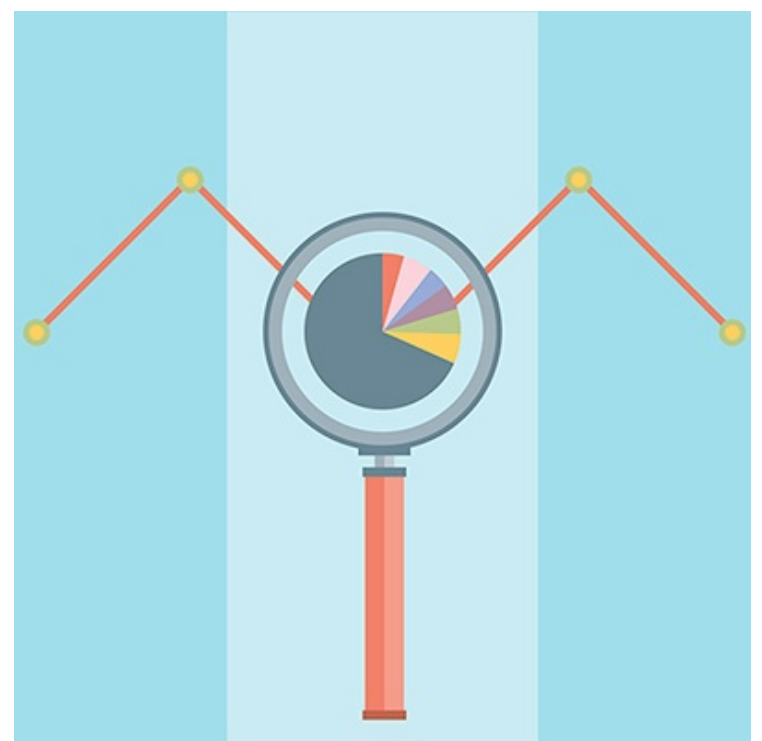
Below is a sample signup flow that includes several common signup steps.



Your funnel may be simpler or more complicated than this one. Either way, this step alone will be hugely helpful to you and takes less than an hour to complete so don't skip it! We'll be using that diagram later in this guide.

Audit Your Analytics

This is a crucial step and one that many people skip thinking that they've already done it. However, frequently when I work with a new company I find that their analytics are incomplete or faulty.



Having incorrect or incomplete numbers can derail this entire process before it gets going!

In order to shore up your numbers, answer the following four questions and remedy any problems that arise.

- 1) **Are you tracking everything you need to track in order to understand how many people complete each step in your diagrammed funnel?**

If you look at your analytics and don't know how many people move from one step to the next, you need to add more tracking until you have the visibility you need.

- 2) **Are you measuring what you think you're measuring?**

Often what is marked in analytics as an event or conversion actually means something else entirely. This is especially true of custom events or conversions that are set up by your development team.

I've frequently seen bugs, mislabels, and unfortunate miscommunications between those who asked for the analytics and those who set them up. Use your staging website to test all the various steps in your funnel to make sure your events are firing when they're supposed to.

It may also make sense to go through all the key metrics with whomever set them up and make sure you're all on the same page.

3) Check to see if test data is being removed.

Frequently I'll see development and test data polluting the live site's numbers. You should have separate analytics accounts for these test environments rather than adding noise to your live data with tests. And if your engineers or QA team need to frequently test the live site, find a way to exclude this data, perhaps by filtering out events coming from their IP addresses.

4) Have you been tracking clean and proper data for long enough?

Once you get your analytics issues ironed out, you'll need to get enough sample size for the numbers to be meaningful. I recommend at least a few business cycles worth of data before drawing conclusions from it. For most businesses a business cycle is one week long. This controls for differences in weekday and weekend user behavior.

Useful Tools

When it comes to analytics, your insight is only as good as the tools you use. Below is a brief list of my favorite analytics tools as well as a description of what they excel at.

1. Google Analytics

I'll start my list of tools with the industry standard. Google Analytics is so prevalent that it's used by over half of the top 1 million websites. Why?

It's extremely powerful and it's free.

From pageviews to retention, from site performance to SEO, from goal tracking to demographics, Google Analytics has a tremendous amount of data for you to use.

[Check here for a full feature overview.](#)

The main drawback is the overwhelming nature of its user interfaces. You can get lost in there for hours without finding what you're looking for.

[I've even written an entire blog post about common GA pitfalls.](#)

2. Mixpanel

The tagline for Mixpanel is “actions speak louder than pageviews.” Sometimes you need a deeper look into how visitors interact with your website than just the pageview level.

Google Analytics can do this as well but it’s difficult to set up and the custom action reports are hard to understand.

Mixpanel has made a niche for itself by focusing only on custom actions. For a technical person it’s much easier to set up the events and the reports are wonderful.

The funnel and retention reports are particularly enlightening. Whenever I need deeper user engagement details and easy to understand sales funnel tracking, I usually set up Mixpanel.

3. Heap

Heap is similar to Mixpanel but with one very cool twist. It tracks the majority of common events automatically.

What this means is that you don’t have to set up your custom events ahead of time. Heap will just start tracking user engagements and you can define what your key interactions are after the fact.

You can even do it if you’re non-technical with

Heap's visual event definition overlay.

4. Mouseflow

Sometimes all those numbers don't tell the whole story. That's where Mouseflow comes in.

It let's you take video of visitor sessions and watch playback of scrolling, clicks, and other interactions with your website.

This is especially helpful for seeing how people are engaging with your content. Are they skimming? Are they reading your fine print? Are they clicking elements that aren't clickable? Are they scrolling right past your calls to action?

Mouseflow also has a nice set of user interaction heatmaps to give you a higher level look at how visitors interact with your pages.

5. Hotjar

What I like most about Hotjar is its form analytics feature. Many websites struggle to implement quality form user experience and Hotjar's reports can help you zero in on problems with your own forms.

They also give you a nice set of visitor feedback tools

like polls and surveys. There's nothing like getting insight straight from your users' mouths.

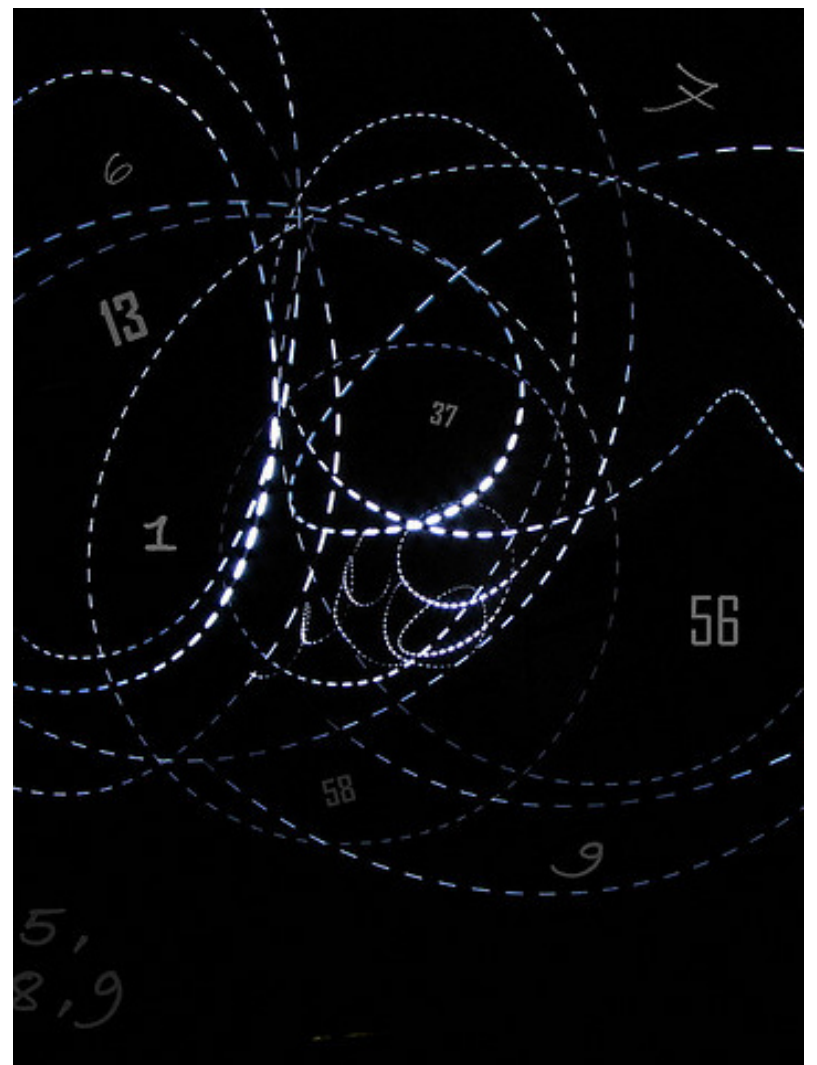
6. Payboard

Which paths through your website convert the best? Not only can Payboard answer that question, it can help you automatically route traffic from your poorly converting paths to your best ones.

Payboard accomplishes this by adding slideout calls to action around your site that are fully customizable. They promise a 5% conversion lift right off the shelf.

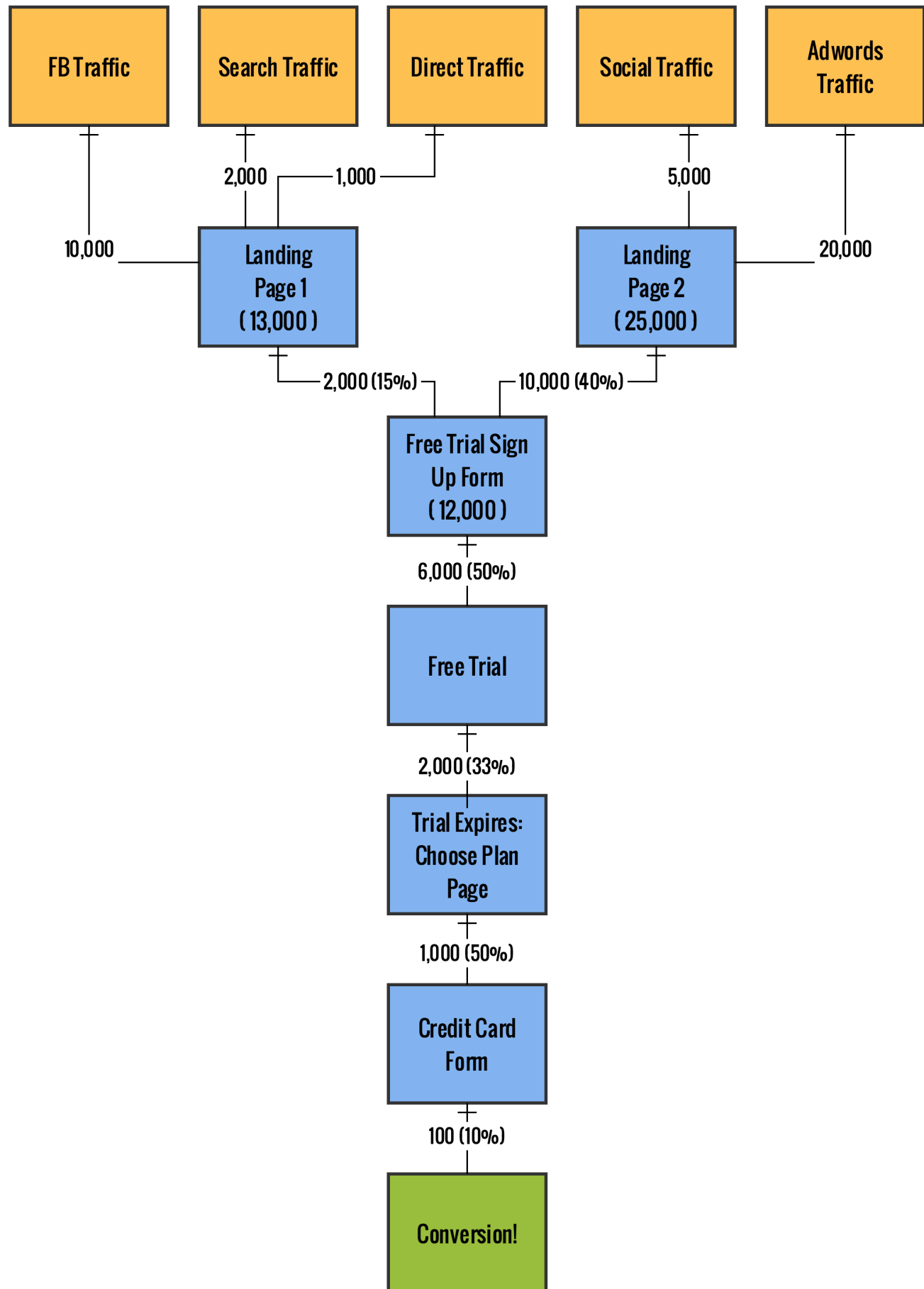
Analyze Your Numbers

Beginning at this step, your biggest leaks will start to reveal themselves. These leaks are the gold nuggets we're sifting for.



Bring up the flow chart you made in step one and add your conversion numbers to each step in your signup flow.

Below are some hypothetical numbers:



Once you add these numbers to your flowchart you'll have a compact snapshot of how successful your signup flow is at converting visitors into paying customers.

Does anything jump out at you? Are you more successful in some areas than you were expecting? Less successful in others?

Where are the biggest dropoffs? Large dropoffs closer to the end of the funnel can be especially painful if you're doing a good job getting visitors close and then stumbling at the final step.

If very few people are making it close to the end of your signup flow, it doesn't make sense to try and optimize that area. Instead you should first focus on getting more people from the beginning of the funnel closer to the end.

My team has written [a more in depth look at modeling your funnel](#) if you want to go even deeper.

Once you have the numbers, how will you know if you're doing well at any particular step in the process? Is a 50% free trial signup percentage a good conversion rate or bad?

Find Industry Benchmarks

Another way to find opportunities in your funnel is to look at what others in your industry are achieving at equivalent places in their signup flows.



If you're well below the industry average, there might be lucrative opportunities in that step. If you are well above average, you might have reached the point of diminishing returns and would just be wasting resources by focusing on it.

In my example funnel, the free trial to paid conversion percentage is 50%. Simply by Googling "SaaS statistics free trial to paid conversion rate," I was able to get a variety of sources to measure my rate against.

My favorite result was a white paper that aggregated and averaged data from 100 different SaaS companies broken up by a variety of important factors such as credit card info taken before or after a free trial:

<http://www.totango.com/wp-content/uploads/2012/11/2012-SaaS-Conversions-Benchmark2.pdf>

One word of caution though. Even though benchmarks can help you zero in on likely problem areas, take them with a grain of salt. Everybody's audience and funnel is different. Eventually you'll want to try and improve almost every step of your funnel just in case you're missing out on interesting revenue.

Audit Your User Experience

In addition to looking at industry benchmarks, another way to zero in on the best places to focus is by taking a close look at the user experience at each step in your signup flow.



There are a variety of ways to accomplish this.

1) Get some more data.

Heatmap tools like Crazy Egg and user session recording tools like Mouseflow can give you excellent insight into how users are engaging with these crucial steps.

2) Do research around common user experience problems for each step.

Simply by running a few Google searches, you should be able to come up with a list of user experience pitfalls for each step of your signup flow.

For example, try googling for “common landing page mistakes” and you’ll get more results than you could ever hope to work through.

There are also many great user experience books out there. One I recommend is [Designing Web Apps](#) by Nathan Barry.

3) Run a live usability test.

Here is a [Techcrunch article](#) on how to accomplish this sort of testing. In many metro areas there are also user testing labs where you can rent space. Here is a nice [directory of some](#)

rentable facilities.

4) Hire a third party user experience consultant in order to get an unbiased opinion.

Often your own biases around the website you had a big hand in building will cloud your judgement and hide user experience problems a skilled UX consultant will spot right away.

If you execute these action items, certain steps in your funnel will emerge as having more egregious and numerous user experience problems than others.

If these “high friction” user experience areas match up with your underperforming steps from previous chapters, it’s likely you’re on the right track.

Pick Your Target

At this point you now have the data necessary to spot the most exciting opportunities for getting more paid signups from your existing traffic.



Pick your areas to focus on by examining the following criteria:

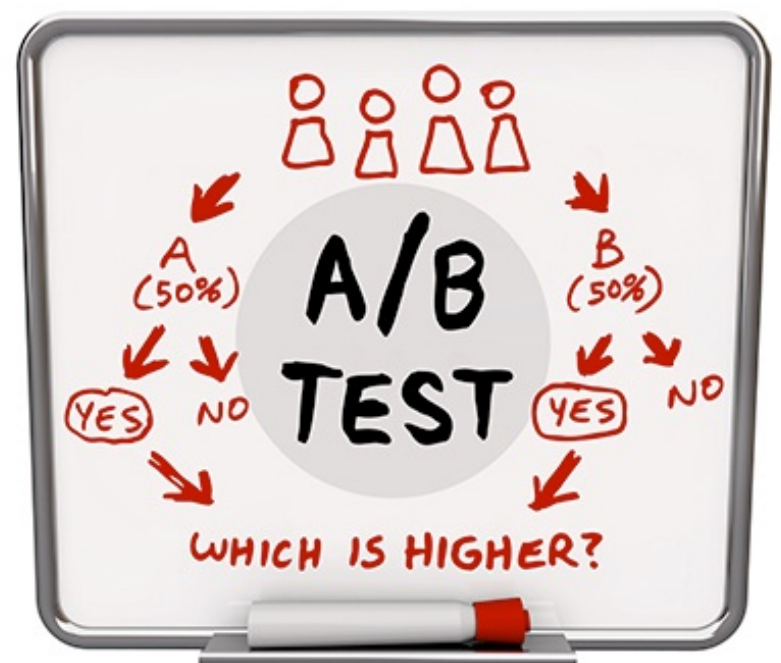
- 1) Which steps of your user signup flow have the biggest dropoff?
- 2) Which steps of your user signup flow are underperforming their industry averages?
- 3) Which steps of your user signup flow have the biggest user experience problems?
- 4) Which steps of your user signup flow do you have great improvement ideas for?
- 5) Which steps of your user signup do you have easy to implement improvement ideas for?

Really spend some time thinking about these questions. Once you have the answers, the areas that will yield the highest return on investment should become clear to you.

This is exactly what we've been leading up to throughout this guide. Picking the right spot to focus on is well over half the battle to getting more paid signups.

Start Testing

Now that you've picked your target areas, it's time to conceive of and implement enhancements to your signup flow. From the list of user experience problems you compiled in step 5, you should have a good list of items to try. But what's the best way to implement those fixes?



A/B Testing

If you have enough traffic, I highly recommend utilizing A/B testing in order to find out if your improvements are actually better than your old version.

A/B testing, sometimes called split testing, is implementing a change to your user flow and then only sending half of your traffic to that new variation.

By having 50% of your visitors going to the older variation, you'll have a good baseline to measure your new results against. This will afford you quicker and more accurate results on if the change is better, worse, or no different from the original.

So often I've seen companies implement changes and then decide if the new version is better based on short term results that could easily have been caused by changes to other areas of the business or normal random fluctuations.

A/B testing can give you improved peace of mind that the changes you make are actually improving your business over the long haul.

[Here is a guide I wrote to understanding if you have enough sample size to run a test.](#)

If you don't have enough traffic, try utilizing [this guide to low traffic testing strategies](#) or focusing on generating more traffic.

Multivariate Testing

Multivariate testing is an advanced technique that allows you to test many versions of a feature at once. For example, if you have enough traffic you can test multiple versions of images, copy, and colors on a landing page in order to see which combination of elements performs the best.

It's more difficult to set up and understand the results of a multivariate test so I recommend first getting your feet wet with A/B testing before trying this technique.

Test, Test, and Test Some More

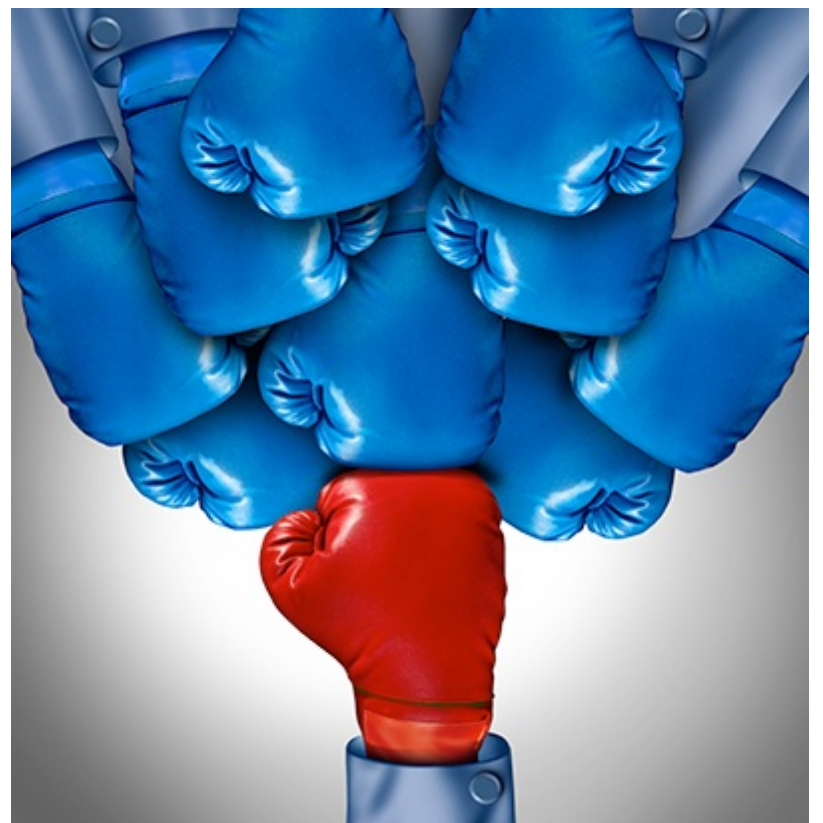
Even though new ideas to improve your user flow may seem “obviously better,” I encourage you to always test them whenever possible. It's amazing how often our impulses are incorrect. Amazon has mentioned test success rates of 25% and Bing testers have shared numbers as low as 10%.

Despite this “low” success rate, these companies still run hundreds, sometimes even thousands of test per month. The more tests you're able to run, the higher likelihood you'll have of finding revenue you're missing out on.

If you need a tool to help you with your A/B testing, I recommend [Optimizely](#) or [Visual Website Optimizer](#).

Added Motivation

If you follow these seven steps you'll be well on your way to enjoying many more paid signups.



Benefits

Let's recap the benefits of analyzing your site's funnel:

- 1) More customers and revenue
- 2) Higher lifetime customer value
- 3) Improved visibility into your user flow
- 4) Higher confidence in your analytics
- 5) More conviction to move ahead on improving the areas you know matter
- 6) Reduced time and cost trying to optimize areas of your funnel that won't yield a solid return on investment
- 7) Did I mention more revenue?

Another Way Forward

As an alternative to doing it yourself, my team of audit specialists can dive into your numbers and point you to exactly where you're leaving the most money on the table.

Besides doing a kickass job on the process outlined in this guide, we'll utilize our extensive user experience knowledge to explain why certain spots in your user funnel are causing unnecessary friction and dropoffs.

We'll also make revenue projections that show you how much conservation goals for improvement would be

worth to your bottom line. This helps you determine how much time and money you can profitably invest.

[Find out more about how we capture the paid signups your business is missing out on.](#)

That's All Folks

That's it for "Seven Steps To More Paid Signups." I hope you enjoyed it. I love discussing this topic so if you have any questions or comments, please reach out:

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Twitter: [@LennonRubin](https://twitter.com/LennonRubin)

Thanks for reading!